

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

February 22, 2007

OK

TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor *DLH*

FROM: Wayne H. Western, Team Lead *WHW*

RE: Permit Area Expansion – Addition of 40 Acres, Canyon Fuel Company, LLC,
Dugout Mine, C/007/0039, Task ID #2743

SUMMARY:

On January 26, 2007, the Division received an application for a lease modification to increase the permit area by 40 acres. No new surface disturbance is expected. This memo covers engineering and bonding.

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TECHNICAL ANALYSIS:

ENVIRONMENTAL RESOURCE INFORMATION

PERMIT AREA

Regulatory Requirements: 30 CFR 783.12; R645-301-521.

Analysis:

The Permittee met the requirements of this section by update the information in Section 114 of the MRP and showing the revised permit boundary on several maps including Plate 1-4, Dugout Canyon Mine Permit Area.

Findings:

The information in the proposed amendment is considered adequate to meet the requirements of this section.

MAPS, PLANS, AND CROSS SECTIONS OF RESOURCE INFORMATION

Regulatory Reference: 30 CFR 783.24, 783.25; R645-301-323, -301-411, -301-521, -301-622, -301-722, -301-731.

Analysis:

Affected Area Boundary Maps

The Permittee met the requirements of this section by showing the revised permit boundaries on several maps including Plate 1-4, Dugout Canyon Mine Permit Area.

Findings:

The information in the proposed amendment is considered adequate to meet the requirements of this section.

OPERATION PLAN

COAL RECOVERY

Regulatory Reference: 30 CFR 817.59; R645-301-522.

Analysis:

The Permittee met the requirements of this section by providing Plate 5-7, Proposed Mine Sequence and Planned Subsidence Boundary. The Permittee originally did not plan on mining the area because they thought the economic reserves did not exist. The Permittee later determined that economic reserves do exist and will recovery them.

Findings:

The information in the proposed amendment is considered adequate to meet the requirements of this section.

SUBSIDENCE CONTROL PLAN

Regulatory Reference: 30 CFR 784.20, 817.121, 817.122; R645-301-521, -301-525, -301-724.

Analysis:

Renewable Resources Survey

The Permittee did not meet the requirements of this section. The Permittee did not show that they had conducted a resource survey of the 40-acre site. At a minimum the survey must include:

- Condition of all non-commercial buildings.
- Renewable resource lands.
- State appropriated water supplies.

The information could exist in the MRP. For example Chapter 4 of the MRP deals with land use and Chapter 7 deals with water. If the information is in the MRP then the Permittee must reference the location of the information in the subsidence control plan section of the MRP.

The Permittee must give a copy of the survey to the property owner and water conservancy district, if any.

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Subsidence Control Plan

The Permittee did not meet the requirements of this section. The Permittee must include a map that shows the projected subsidence contour. The Division needs that information to be able to evaluate the potential subsidence effects.

Findings:

The information in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-525.100, The Permittee must show that they conducted a subsidence survey of the proposed permit expansion area. If the subsidence survey information is in the MRP then the Permittee must reference the information in the subsidence section of the MRP. For example, information on the types of renewable resource may be in Chapter 4 of the MRP and information on State appropriated water supplies might be in Chapter 7 of the MRP. If the information already exists then the Permittee must reference the information. If there are no non-commercial buildings or occupied structures then the Permittee must state so in the subsidence section of the MRP.

R645-301-525.460 and R645-301-525.490, The Permittee must provide the Division with a map that shows the projected subsidence contours. The Division needs that information in order to evaluate the potential subsidence effects.

MAPS, PLANS, AND CROSS SECTIONS OF MINING OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-512, -301-521, -301-542, -301-632, -301-731, -302-323.

Analysis:

Affected Area Maps

The Permittee met the requirements of this section by providing Plate 5-7, Proposed Mine Sequence and Planned Subsidence Boundary.

Mine Workings Maps

The Permittee met the requirements of this section by providing Plate 5-7, Proposed Mine Sequence and Planned Subsidence Boundary.

Certification Requirements

The Permittee met the requirements by having maps certified as required by the regulations.

Findings:

The information in the proposed amendment is considered adequate to meet the requirements of this section.

RECLAMATION PLAN

MAPS, PLANS, AND CROSS SECTIONS OF RECLAMATION OPERATIONS

Regulatory Reference: 30 CFR Sec. 784.23; R645-301-323, -301-512, -301-521, -301-542, -301-632, -301-731.

Analysis:

Affected Area Boundary Maps

The Permittee met the requirements of this section by providing Plate 5-7, Proposed Mine Sequence and Planned Subsidence Boundary.

Findings:

The information in the proposed amendment is considered adequate to meet the requirements of this section.

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

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General

The addition of the 40 acres will not result in any additional surface disturbance. Therefore, the reclamation cost will not change and the bond is adequate to insure reclamation in the event of bond forfeiture.

Findings:

The information in the proposed amendment is considered adequate to meet the requirements of this section.

RECOMMENDATIONS:

The Division should deny the application until all of the above mentioned deficiencies have been adequately addressed.